

GENERAL SERVICES ADMINISTRATION
PUBLIC BUILDINGS SERVICE
SUPPLEMENTAL LEASE AGREEMENT

SUPPLEMENTAL
AGREEMENT

23

TO LEASE NO. GS-09B-94150

DATE
JUL 9 2003

ADDRESS OF PREMISES
75 Hawthorne Street
San Francisco, CA 94105

THIS AGREEMENT, made and entered into this date by and between ITW MORTGAGE INVESTMENTS, II, INC.

Whose address is: ITW Mortgage Investments II, Inc.
C/o Mr. J. Michael Malloy
GE Capital Real Estate
1901 Main Street, Suite 700
Irvine, CA 92614

hereinafter called the Lessor, and the UNITED STATES OF AMERICA, hereinafter called the Government:

WHEREAS, the parties hereto desire to amend the above Lease,

NOW THEREFORE, these parties for the considerations hereinafter mentioned covenant and agree that the said Lease is amended, effective upon execution of this Supplemental Lease Agreement by the Government.

Paragraphs 44, 45, 46, 47, 48, 49, and 50 are hereby added to the lease in their entirety.

44: The Lessor shall provide and install all of the Security Items listed on the attached list marked as **Exhibit A**, at a negotiated cost not to exceed \$455,000.00. This negotiated cost includes all labor, materials, equipment, design fees, professional fees, permit fees, inspection fees, utilities, construction drawings, including plans and specifications, and all similar costs and expenses associated with the installation of these security items.

45: The installation is to be completed within 180 calendar days of execution of this Supplemental Lease Agreement by the Government, except for failure caused by "Excusable Delay" as hereinafter defined. "Excusable Delay", shall mean any delay in the installation resulting from acts of God, fire, earthquake, hurricane, flood, explosion, war, invasion, insurrection, riot, mob violence, sabotage, malicious mischief, inability (notwithstanding good faith and diligent efforts) to procure, or general shortage of labor, equipment, facilities, materials or supplies in the open market, failure of transportation, strikes, lockouts, condemnation laws, requisition or injunction order of Government or inability to obtain Governmental approval or permits, breach of Lessor's contractor under its agreement for such installation, or other act not within the Lessor's reasonable control, for which Lessor has given the Government written and supporting evidence thereof. Failure on the part of the Lessor to meet the 180 day fixed time frame shall result in liquidated damages not to exceed the amount of \$500.00 per day for each day the project is delayed.

CONTINUED ON ATTACHMENT SHEET NO. 1

ALL OTHER TERMS AND CONDITIONS OF THE LEASE SHALL REMAIN IN FORCE AND EFFECT.

IN WITNESS WHEREOF, the parties subscribed their names as of the above date.

LESSOR: ITW MORTGAGE INVESTMENTS, II, INC.

BY:

(Signature)

District Manager
(Title)

IN THE PRESENCE OF

(Signature)

Irvine, CA
(Address)

UNITED STATES OF AMERICA GENERAL SERVICES ADMINISTRATION, PUBLIC BUILDINGS SERVICE

BY:

Contracting Officer
GSA, PBS, RED

**SHEET NO. 1 ATTACHED HERETO AND MADE A PART OF THIS
SUPPLEMENTAL LEASE AGREEMENT NO. 23 TO LEASE AGREEMENT
LCA94150**

46: Upon completion, inspection and acceptance of the installation of these Security items by the Government, the Lessor will receive a Lump Sum Payment in the amount of \$455,000.00, as payment in full for the installation.

47 Any damages to the building and/or building's property due to the installation and operation of said security items shall be the sole responsibility of the Lessor and or its contractor.

48 The Lessor shall provide all maintenance, repair and replacement of these security items as installed by the Lessor as part of their security upgrades at no cost to the Government. This also includes maintenance and repair (but not replacement) of the [REDACTED] provided by the Government for use by the Lessor for the main Lobby. It is agreed that the Government and the Lessor will share equally in the cost for additional [REDACTED] required as a result of the use of the [REDACTED].

49: It is further agreed and understood that title to these items shall vest in the Government. After expiration of the lease term and any extended or succeeding lease term, the Government shall abandon these security items, and title shall pass to the Lessor.

50: The Government will be responsible for any increase in real estate property taxes resulting from the installation of these additional security enhancements as listed on the attachment to this SLA, marked as Exhibit A.

INITIALS:

LESSOR

GOVERNMENT